

# LYNCHBURG CITY COUNCIL

## Agenda Item Summary

MEETING DATE: **December 10, 2002**

AGENDA ITEM NO.: **16**

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

**ITEM TITLE: Issuance Of \$41,745,000 General Obligation Public Improvement Bonds; Estimated \$25,000,000 Refunding Bonds Of The 1993 Bonds and 1994 Bonds And \$16,745,000 New General Obligation Bonds For FY 2003 Capital Projects**

### RECOMMENDATION:

1. Conduct a public hearing for issuance of \$16,745,000 of General Obligation Public Improvement Bonds in accordance with the Virginia Public Finance Act, refunding bonds are exempt from the public hearing requirements.
2. Adopt a resolution authorizing the issuance of not to exceed \$41,745,000 principal amount of General Obligation Public Improvement and Refunding Bonds of the City.
3. Adopt a resolution appropriating \$130,000 for the issuance costs associated with the issuance of \$40,865,000 General Obligation and Refunding Bonds of the City.

SUMMARY: Since the report on October 29, the City's Financial Advisor, BB&T Capital Markets has recommended that the City increase the refunding component of the FY 2003 from \$19,000,000 to \$25,000,000 to add a portion of the 1994 bond issue to original 1993 refunding of \$18,970,000. This change should provide the City with more market flexibility as the issuance date approaches. There has been no change in the \$16,745,000 new money portion of the proposed bond issue.

There follows a summary of the proposed cost of issuance:

Cost Component	FY 2003 Estimate
Bond Counsel	\$34,300
Bond Ratings	37,000
Financial Advisor	32,200
Independent Auditor Official Statement Review	3,500
Official Statement Preparation & Printing	16,000
Advertising	4,000
Miscellaneous Copying, postage, & overnight mailings, etc.	3,000
Total	\$130,000

PRIOR ACTION(S): October 29, 2002 Council work session

FISCAL IMPACT: Issuance costs are funded from bond proceeds. Additional long-term debt

CONTACT(S): Michael W. Hill

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ATTACHMENT(S):

REVIEWED BY: lkp

Resolution

BE IT RESOLVED THAT funding of \$60,000, \$19,000, \$20,000, \$15,000, \$4,000, \$9,000 and \$3,000 is appropriated from the City, School, Water, Sewer, and Airport Capital Projects Funds, Fleet Operating Fund and the E-911 Special Revenue Fund, respectively, for expenses associated with the issuance of the FY 2003 General Obligation Public Improvement and Refunding Bonds financed through the FY 2003 bond sale.

Introduced

Adopted:

Certified:

\_\_\_\_\_  
Clerk of Council

253L